

# Paper mill plan dead

## *But officials say new deal possible for factory*

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STAFF WRITER

FITCHBURG — Financial and technological woes have put a halt to Patriot Paper Corp.'s plans to buy the James River Massachusetts Paper Mill No. 8 complex and turn it into a recycled paper mill.

Meanwhile, city officials hint that something bigger and better will take Patriot Paper's place.

"There is another interest looking at the property and I think that will be coming to a head fairly quickly," said Michael Lanza, executive director of the Industrial Development Commission.

Mayor Jeffrey Bean, who likewise remained mum about the details, would only say, "This is going to be a bigger and more exciting project than what Patriot Paper had in mind. We're bringing the details together and hopefully we'll have something to release publicly next week."

The Hyde Park-based Patriot Paper recycles paper into printing- and writing-grade paper stock, which can be used for com-

puter printouts, copy machines, office stationary, envelopes and file folders.

Patriot announced in June 1992 that it planned to buy the idle 150-acre James River Mill complex on Princeton Road for \$11 million and have it operational by the beginning of this year. Patriot's proposal would have initially

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**Mayor Jeffrey Bean**

employed 150 people and eventually as many as 300.

James River closed Mill No. 8 in 1989, laying off 80 employees who remained after a long decline in the company's fortunes.

Problems with the process of deinking wastepaper into reusable white paper forced Patriot to suspend operations in January. The company found that it had to fur-

ther refine its system for removing stains and specks from the finished product.

At the time of the shutdown, Patriot officials said they expected to restart the mill by March 1. Of the 200 people working at the mill, at one time Hyde Park's biggest employer, all but a dozen were laid off.

The company filed for Chapter 11 protection from creditors in U.S. Bankruptcy Court on March 17. Tembec Inc. of Temiscaming, Quebec, Canada, which owned 89 percent of the company, increased its share to 100 percent. Tembec is looking for partners or someone to buy the company outright.

Micheline Latourelle, an administrative assistant in the public relations department at Tembec, said the company hopes Patriot will reopen eventually.

Edward Atwill, vice president of sales and marketing, said the company is now aiming for a July start-up. "We're eager to get back on track and get the employees working again," he said.

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Hi Nancy-

FYI @

James River #8.

hlon



SDMS DocID 556524

Superfund Records Center  
SITE: James River Mill 8

Box 13.4  
556524

Rates of interest